

SACRAMENTO COUNTY ECONOMIC FORECAST

Sacramento County is home to the California State Capitol. Sacramento County has a population of 1.5 million people and approximately 639,600 wage and salary jobs. The per capita income is \$48,915 and the average salary per worker is \$76,985. Because it contains the state capitol, the Sacramento County economy is highly influenced by the public sector, with government jobs comprising 26 percent of total wage and salary employment.

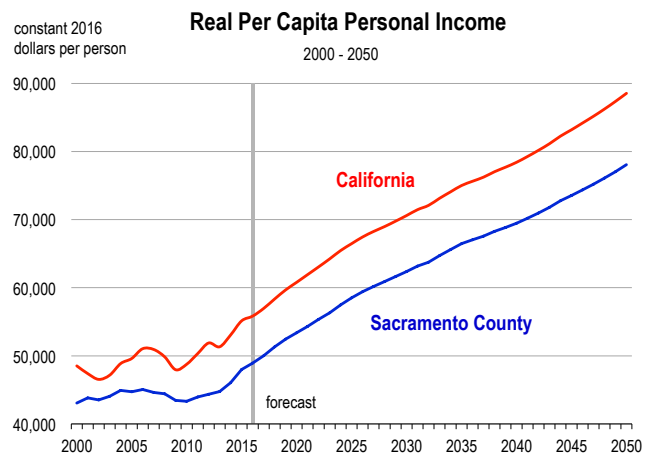
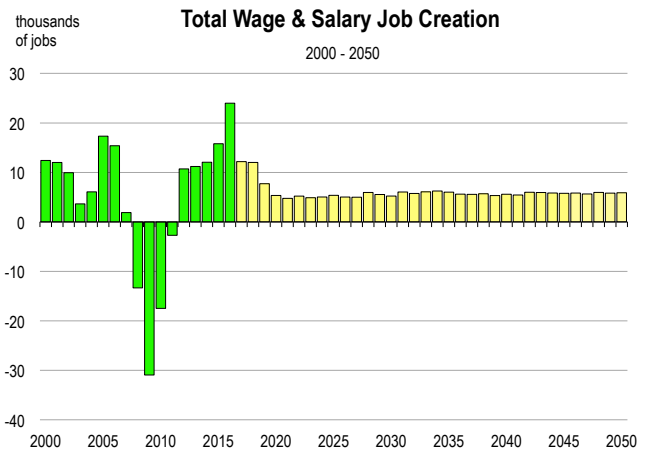
Employment across Northern California increased by 3.2 percent in 2016, whereas employment in the Sacramento Valley (consisting of Sacramento, Yolo, Placer, El Dorado, Yuba and Sutter counties) increased by 3.4 percent. In Sacramento County, 24,000 wage and salary jobs were created, representing a growth rate of 3.9 percent. The unemployment rate improved during the year, falling from 6.0 percent in 2015 to 5.4 percent in 2016.

During 2016, the largest employment gains were observed in professional and business services (+6,100 jobs), government (+5,000 jobs), and education and healthcare (+4,100 jobs). The largest losses were in information (-240 jobs) and manufacturing (-100 jobs).

From 2011-2016, the population of Sacramento County grew at an annual average rate of 1.0 percent. Net migration accounted for more than 40 percent of this growth, with an average of 7,300 net migrants entering the county each year.

FORECAST HIGHLIGHTS

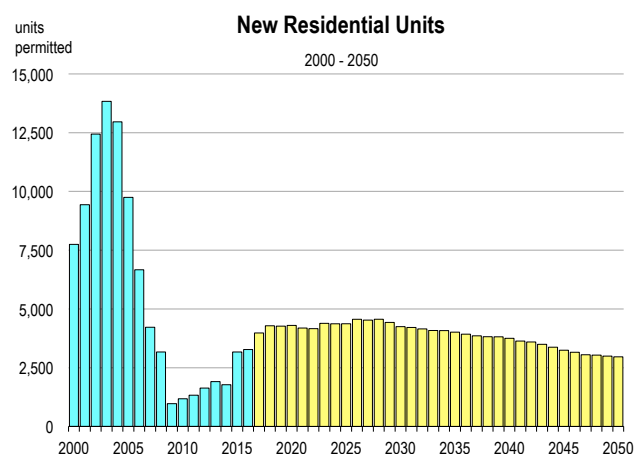
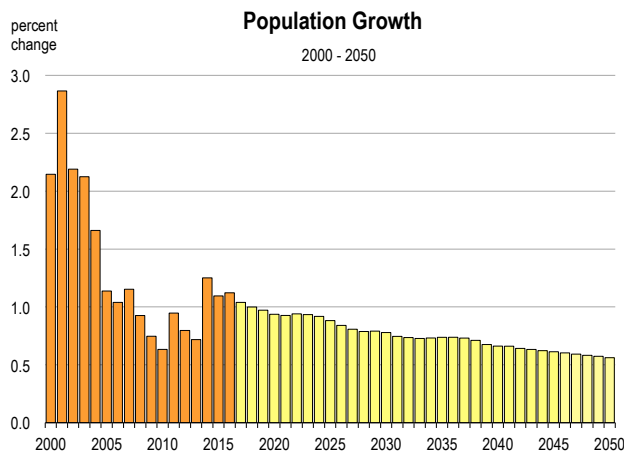
- In 2017, total employment is expected to increase by 1.9 percent. From 2017 to 2022, job growth is expected to average 1.1 percent per year.
- Average salaries are above the California state average, and are expected to remain so over the next few years. In Sacramento County, inflation-adjusted salaries will rise by an average of 2.0 percent per year from 2017 to 2022.
- Between 2017 and 2022, employment growth will be greatest in professional and business services, education and healthcare, and leisure and hospitality. Together, these industries will account for 71 percent of net job growth in the county.
- Population growth will be relatively strong over the next 5 years, with annual growth averaging 1.0 percent per year.
- Between 2017 and 2022, an average of 7,300 net migrants will enter the county each year, accounting for almost half of all population growth.
- Over the 2017-2022 period, an average of 4,200 housing permits will be issued each year. The most prevalent areas for development will be Rancho Cordova, Mather, and Folsom. Over the next few decades, more than 10,000 homes will be developed in each of these areas.
- Real per capita income is expected to rise by 2.3 percent in 2017. Between 2017 and 2022, growth will average 2.0 percent per year.
- Total taxable sales, adjusted for inflation, are expected to rise by 1.3 percent per year from 2017 to 2022.
- Industrial production is expected to rise by 2.7 percent in 2017. Between 2017 and 2022, industrial production is forecast to rise by an average of 2.0 percent per year.



Sacramento County Economic Forecast

2010-2016 History, 2017-2050 Forecast

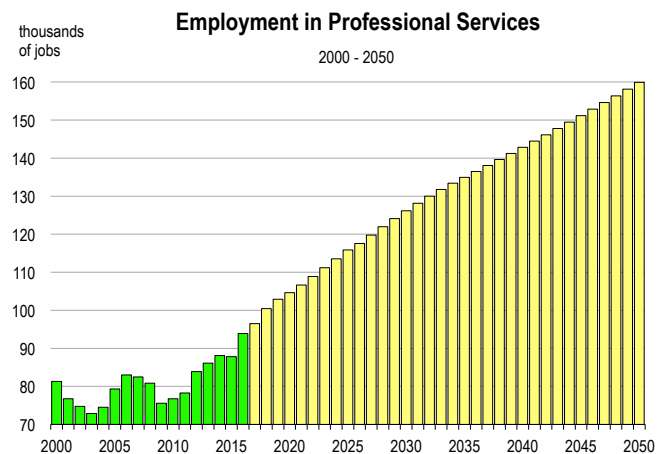
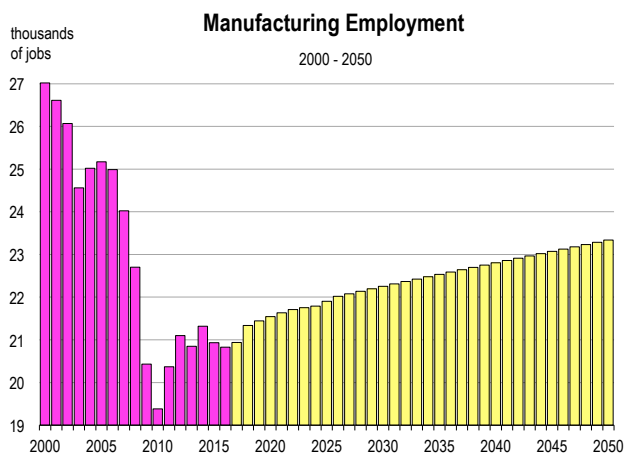
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	1,420,331	-1,719	1.16	514.0	1,181	\$16.9	\$54.7	\$43,311	1.3	418.9	5.8	12.6
2011	1,433,792	3,497	1.14	515.2	1,332	\$18.0	\$57.5	\$43,964	2.7	444.2	5.9	12.1
2012	1,445,230	2,421	1.14	517.6	1,633	\$19.1	\$59.8	\$44,350	2.7	493.9	6.2	10.5
2013	1,455,602	1,457	1.18	521.3	1,909	\$20.1	\$61.7	\$44,759	2.3	483.3	6.4	8.9
2014	1,473,817	9,255	1.21	523.4	1,772	\$21.1	\$65.4	\$46,062	2.8	521.4	6.6	7.3
2015	1,489,952	7,501	1.27	525.1	3,173	\$22.0	\$69.9	\$47,972	2.6	480.7	6.7	6.0
2016	1,506,677	8,907	1.35	526.9	3,277	\$23.3	\$73.7	\$48,915	3.0	493.4	6.9	5.4
2017	1,522,336	8,183	1.36	529.8	3,978	\$24.2	\$78.3	\$50,018	3.1	500.5	7.1	5.1
2018	1,537,550	7,725	1.37	533.6	4,284	\$25.2	\$83.4	\$51,333	3.0	510.1	7.2	4.8
2019	1,552,495	7,439	1.39	537.6	4,268	\$26.4	\$88.4	\$52,453	2.6	514.2	7.4	5.1
2020	1,567,037	7,046	1.39	541.6	4,299	\$27.5	\$93.4	\$53,389	3.1	514.5	7.5	5.2
2021	1,581,558	6,977	1.40	545.6	4,188	\$28.5	\$98.5	\$54,329	3.0	515.0	7.7	5.2
2022	1,596,429	7,240	1.41	549.6	4,161	\$29.6	\$104.0	\$55,335	3.0	514.8	7.8	5.2
2023	1,611,338	7,180	1.42	553.5	4,387	\$30.6	\$109.7	\$56,321	3.0	514.7	8.0	5.1
2024	1,626,138	7,009	1.43	557.6	4,368	\$31.8	\$115.8	\$57,480	2.9	514.7	8.2	5.1
2025	1,640,482	6,582	1.43	561.7	4,370	\$33.1	\$121.6	\$58,511	2.9	514.7	8.3	5.0
2026	1,654,273	6,104	1.44	565.8	4,560	\$34.3	\$127.3	\$59,407	2.8	514.7	8.5	4.9
2027	1,667,633	5,858	1.45	570.1	4,525	\$35.5	\$133.2	\$60,183	2.9	514.8	8.7	4.9
2028	1,680,775	5,835	1.46	574.3	4,562	\$36.9	\$139.2	\$60,918	2.7	514.8	8.9	4.9
2029	1,694,074	6,139	1.47	578.6	4,427	\$38.2	\$145.3	\$61,646	2.5	514.9	9.1	4.9
2030	1,707,270	6,204	1.48	582.8	4,247	\$39.7	\$151.4	\$62,367	2.4	515.0	9.3	4.8
2031	1,720,005	5,891	1.49	586.8	4,212	\$41.3	\$157.7	\$63,171	2.3	515.0	9.5	4.9
2032	1,732,657	5,928	1.51	590.7	4,150	\$43.1	\$164.0	\$63,754	2.5	515.1	9.8	4.8
2033	1,745,269	5,979	1.52	594.6	4,083	\$44.8	\$171.0	\$64,726	2.1	515.2	10.0	4.8
2034	1,758,043	6,191	1.53	598.4	4,078	\$46.6	\$178.3	\$65,622	2.3	515.2	10.2	4.8
2035	1,771,013	6,436	1.54	602.3	4,013	\$48.4	\$185.9	\$66,481	2.4	515.3	10.5	4.8
2036	1,784,087	6,576	1.56	606.0	3,926	\$50.2	\$193.8	\$67,045	2.8	515.4	10.7	4.7
2037	1,797,132	6,609	1.57	609.7	3,856	\$52.1	\$202.1	\$67,577	2.9	515.5	11.0	4.7
2038	1,809,918	6,421	1.58	613.4	3,818	\$54.0	\$210.8	\$68,277	2.7	515.5	11.3	4.7
2039	1,822,143	5,958	1.59	616.9	3,814	\$55.9	\$219.7	\$68,854	2.9	515.6	11.5	4.8
2040	1,834,204	5,891	1.61	620.5	3,750	\$57.8	\$229.0	\$69,479	2.8	515.7	11.8	4.8
2041	1,846,330	6,016	1.62	624.0	3,634	\$59.6	\$238.5	\$70,193	2.6	515.7	12.1	4.7
2042	1,858,184	5,813	1.63	627.5	3,595	\$61.5	\$248.3	\$70,988	2.5	515.8	12.4	4.8
2043	1,869,949	5,792	1.64	630.8	3,495	\$63.3	\$258.4	\$71,824	2.4	515.9	12.7	4.8
2044	1,881,589	5,745	1.65	634.1	3,372	\$65.1	\$268.7	\$72,770	2.2	515.9	13.0	4.7
2045	1,893,126	5,736	1.66	637.3	3,244	\$66.9	\$279.3	\$73,554	2.4	516.0	13.3	4.7
2046	1,904,548	5,724	1.67	640.3	3,157	\$68.7	\$290.1	\$74,385	2.3	516.1	13.6	4.7
2047	1,915,836	5,678	1.67	643.3	3,051	\$70.5	\$301.2	\$75,209	2.3	516.1	13.9	4.7
2048	1,926,992	5,648	1.68	646.1	3,035	\$72.4	\$313.1	\$76,108	2.3	516.2	14.3	4.7
2049	1,938,052	5,679	1.69	649.0	2,993	\$74.4	\$325.5	\$77,054	2.3	516.2	14.6	4.7
2050	1,948,937	5,657	1.69	651.8	2,962	\$76.4	\$338.5	\$78,060	2.3	516.3	15.0	4.7

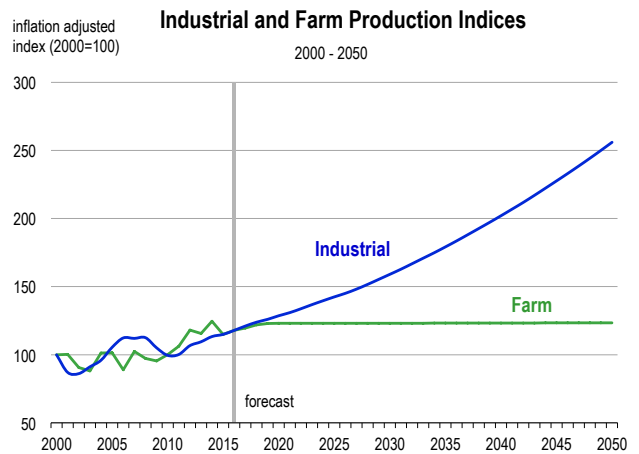
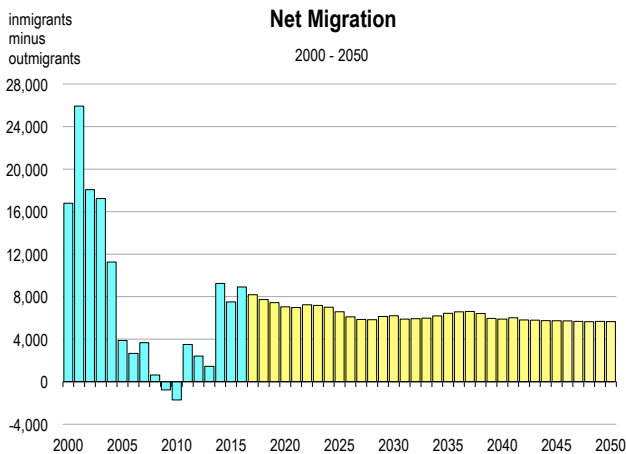
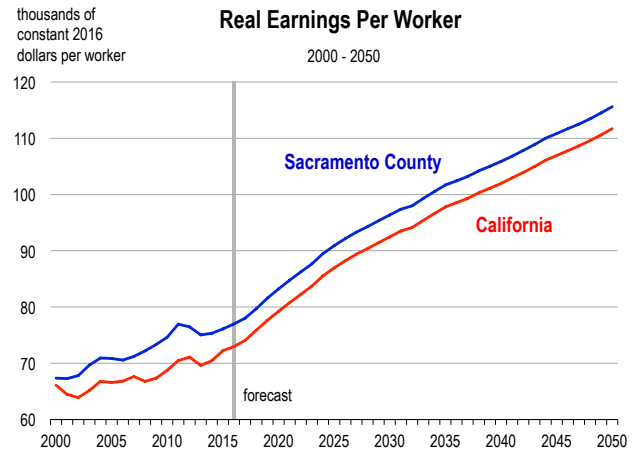
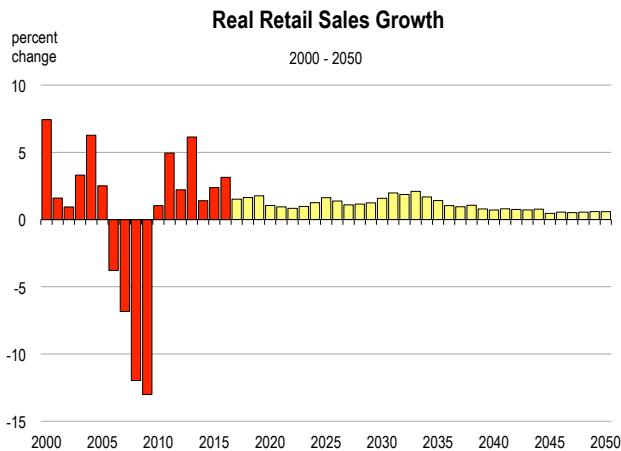


Sacramento County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	568.6	2.57	23.5	19.4	11.9	69.7	32.1	76.7	13.2	86.4	48.5	164.3
2011	565.9	2.47	22.6	20.4	11.5	71.2	30.6	78.3	12.6	87.0	49.5	159.9
2012	576.6	2.61	23.6	21.1	12.2	74.2	31.3	83.9	11.8	88.4	51.3	156.4
2013	587.8	2.62	27.1	20.9	12.7	74.5	31.5	86.1	11.0	91.2	53.7	156.7
2014	599.8	2.61	28.5	21.3	13.0	74.5	31.2	88.1	10.2	93.3	56.0	160.7
2015	615.6	2.55	30.7	20.9	13.7	76.7	32.8	87.8	10.1	98.5	58.2	162.8
2016	639.6	2.50	33.3	20.8	14.2	78.9	33.4	93.9	9.9	102.7	60.9	167.7
2017	651.8	2.54	34.6	20.9	14.3	79.3	33.7	96.5	10.0	104.7	62.2	171.2
2018	663.8	2.59	35.9	21.3	14.6	80.3	34.0	100.4	10.1	106.3	63.5	172.6
2019	671.5	2.61	35.9	21.4	14.8	80.9	33.9	102.9	10.3	108.0	64.7	173.8
2020	676.9	2.61	36.0	21.5	14.9	81.2	34.1	104.6	10.4	109.4	65.5	174.0
2021	681.6	2.61	35.6	21.6	14.9	81.5	34.1	106.7	10.5	111.0	66.5	173.7
2022	686.8	2.61	35.6	21.7	14.9	81.7	34.5	108.9	10.6	112.5	67.0	173.3
2023	691.7	2.61	35.5	21.8	15.0	82.0	34.8	111.2	10.7	114.0	67.4	173.0
2024	696.8	2.61	35.5	21.8	15.0	82.4	34.9	113.5	10.8	115.5	67.8	172.8
2025	702.1	2.61	35.6	21.9	15.1	82.8	34.9	115.9	11.0	117.0	68.1	173.0
2026	707.2	2.61	35.6	22.0	15.1	83.1	35.1	117.6	11.1	118.4	68.4	173.5
2027	712.1	2.61	35.1	22.1	15.2	83.4	35.1	119.8	11.2	119.9	68.9	174.2
2028	718.1	2.61	35.1	22.1	15.2	83.7	35.3	122.0	11.3	121.5	69.5	174.7
2029	723.6	2.61	34.9	22.2	15.3	84.0	35.2	124.1	11.3	123.3	70.1	175.3
2030	728.9	2.61	34.4	22.3	15.3	84.3	35.0	126.2	11.4	125.2	70.7	176.0
2031	734.9	2.61	34.2	22.3	15.3	84.6	35.2	128.1	11.5	127.2	71.3	176.8
2032	740.7	2.62	34.0	22.4	15.4	85.0	35.1	130.0	11.6	129.3	71.9	177.6
2033	746.7	2.62	33.9	22.4	15.4	85.3	35.1	131.8	11.7	131.5	72.5	178.5
2034	753.0	2.62	33.8	22.5	15.5	85.6	35.3	133.4	11.8	133.8	73.1	179.4
2035	759.0	2.62	33.7	22.5	15.5	85.9	35.4	135.0	11.9	136.1	73.7	180.4
2036	764.6	2.62	33.4	22.6	15.6	86.1	35.4	136.5	11.9	138.5	74.3	181.1
2037	770.2	2.62	33.2	22.6	15.6	86.3	35.5	138.1	12.0	141.0	74.9	181.6
2038	775.8	2.62	33.0	22.7	15.7	86.6	35.7	139.6	12.1	143.6	75.5	181.9
2039	781.2	2.62	32.8	22.8	15.7	86.7	35.6	141.2	12.2	146.2	76.2	182.2
2040	786.8	2.62	32.8	22.8	15.8	86.9	35.6	142.9	12.3	148.8	76.8	182.5
2041	792.2	2.62	32.6	22.9	15.8	87.1	35.5	144.5	12.3	151.5	77.4	182.8
2042	798.2	2.62	32.5	22.9	15.8	87.2	35.7	146.1	12.4	154.2	78.1	183.4
2043	804.1	2.62	32.4	23.0	15.9	87.4	35.6	147.8	12.5	156.8	78.7	184.1
2044	810.0	2.62	32.3	23.0	15.9	87.5	35.6	149.5	12.6	159.3	79.4	185.0
2045	815.7	2.62	32.1	23.1	15.9	87.6	35.6	151.2	12.6	161.6	80.1	186.0
2046	821.6	2.62	31.9	23.1	16.0	87.7	35.6	152.9	12.7	163.9	80.7	187.0
2047	827.2	2.62	31.7	23.2	16.0	87.8	35.6	154.6	12.8	166.1	81.4	188.0
2048	833.2	2.62	31.7	23.2	16.0	87.9	35.7	156.4	12.9	168.2	82.1	189.0
2049	839.0	2.62	31.7	23.3	16.0	88.0	35.7	158.1	13.0	170.3	82.7	190.1
2050	844.9	2.62	31.6	23.3	16.0	88.1	35.8	159.9	13.0	172.3	83.4	191.1





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	6.4%
Expected job growth:	5.4%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	16.0%

Expected population growth:	4.9%
Net migration to account for:	49.2%
Expected growth in number of vehicles:	3.8%

Demographics (2017)

Unemployment rate (April 2017):	4.6%
County rank* in California (58 counties):	21st
Working age (16-64) population:	63.7%

Population with B.A. or higher:	20.6%
Median home selling price (2016):	\$302,000
Median household income:	\$59,705

Quality of Life

Violent crime rate (2015):	539 per 100,000 persons
County rank* in California (58 counties):	47th
Average commute time to work (2017):	35 minutes

High school drop out rate (2016):	10.6%
Households at/below poverty line (2017):	13.4%

* The county ranked 1st corresponds to the lowest rate in California